FIRST REGULAR SESSION

HOUSE BILL NO. 992

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE LEWIS (6).

2093H.01I

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DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 393.170, RSMo, and to enact in lieu thereof one new section relating to electric transmission facilities.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 393.170, RSMo, is repealed and one new section enacted in lieu 2 thereof, to be known as section 393.170, to read as follows:

- 393.170. 1. No gas corporation, electrical corporation, water corporation or sewer corporation shall begin construction of a gas plant, electric plant, water system or sewer system, other than an energy generation unit that has a capacity of one megawatt or less, without first having obtained the permission and approval of the commission.
- 2. No such corporation shall exercise any right or privilege under any franchise hereafter granted, or under any franchise heretofore granted but not heretofore actually exercised, or the exercise of which shall have been suspended for more than one year, without first having obtained the permission and approval of the commission. Before such certificate shall be issued a certified copy of the charter of such corporation shall be filed in the office of the commission, together with a verified statement of the president and secretary of the corporation, showing that it has received the required consent of the proper municipal authorities.
 - 3. The commission shall have the power to grant the permission and approval herein specified whenever it shall after due hearing determine that such construction or such exercise of the right, privilege or franchise is necessary or convenient for the public service. The commission may by its order impose such condition or conditions as it may deem reasonable and necessary. Unless exercised within a period of two years from the grant thereof, authority

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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18 conferred by such certificate of convenience and necessity issued by the commission shall be null and void.

- 4. (1) The provisions of this subsection shall apply if the permission and approval sought from the commission under subsection 1 of this section is for the construction of electric transmission facilities approved by a regional transmission operator. Such electric transmission facilities shall be designed consistent with electric industry standards, to utilize a multi-circuit configuration, be sited with or along existing above-ground infrastructure, or replace or upgrade existing above-ground infrastructure, regardless of whether the existing electrical transmission facility infrastructure utilized is owned by an electrical corporation that owns in-service electric transmission facilities in this state that are under the functional control of a regional transmission operator. Electric transmission facilities are required to be designed as provided in this subdivision if such a design is inconsistent with electrical industry standards, is inconsistent with the reliability basis given for the electrical transmission facilities project, or is not in the best interest of the electrical corporation's customers or, to the extent the electrical corporation does not directly serve retail customers, the interests of the electrical customers whose retail rates will reflect the majority of the costs of the electric transmission facilities to be constructed.
- Only electrical corporations that own in-service electric transmission facilities in this state that are under the functional control of a regional transmission operator and to which the electric transmission facilities subject to the application will connect once construction is completed may file applications with the commission for permission and approval to construct electric transmission facilities described in this subsection. Within ninety days following approval of the construction of electric transmission facilities by the applicable regional transmission operator, an electric corporation seeking permission and approval for electric transmission facilities under the provisions of this subsection may notify the commission that it will not construct any or some portion of the facilities approved. If such notice is given and indicates the notifying electrical corporation will not construct any of the facilities approved, the commission may grant permission and approval for such facilities' construction to any other electrical corporation. If such notice indicates that it will assign all or a portion of the facilities approved to another electrical corporation, the commission may grant permission and approval for the facilities that were assigned to the assignee electrical corporation's construction of the facilities that will be subject to this subdivision.
- (3) This subsection shall not limit the right of any rural electric cooperative organized under chapter 394 or of any municipal utility to construct, own, and maintain any electric transmission facilities that are not under the functional control of a regional

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transmission operator. This subsection shall also not limit the right of any electrical corporation to seek permission and approval to construct, operate, and maintain electric transmission facilities in this state that will not initially connect to electric transmission facilities in this state that are under the functional control of a regional transmission operator.

- 5. For the purposes of this section, the following terms shall mean:
- (1) "Electric transmission facilities", a transmission line that is designed and constructed with the capability of being safely and reliably energized at one hundred kilovolts or more and associated transmission facilities, including substations;
- (2) "Regional transmission operator", a regional transmission organization, independent system operator, or equivalent entity recognized by the Federal Energy Regulatory Commission or its successor agency that exercises functional control over electric transmission facilities located within this state.

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